

**CHAPTER 1063****USE OF LOCAL OPTION TAX MONEYS***S.F. 2338*

**AN ACT** relating to the use of local sales and services tax moneys.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 422B.1, subsection 5, paragraph a, unnumbered paragraph 1, Code 1991, is amended to read as follows:

If a majority of those voting on the question of imposition of a local option tax favor imposition of a local option tax, the governing body of that county shall impose the tax at the rate specified for an unlimited period. However, in the case of a local sales and services tax, the county shall not impose the tax in any incorporated area or the unincorporated area if the majority of those voting on the tax in that area did not favor its imposition. For purposes of the local sales and services tax, all cities contiguous to each other shall be treated as part of one incorporated area and the tax shall be imposed in each of those contiguous cities only if the majority of those voting on the tax in the total area covered by the contiguous cities favored its imposition. The local option tax may be repealed or the rate increased or decreased or the use thereof changed after an election at which a majority of those voting on the question of repeal or rate or use change favored the repeal or rate or use change. The election at which the question of repeal or rate or use change is offered shall be called and held in the same manner and under the same conditions as provided in subsections 3 and 4 for the election on the imposition of the local option tax. However, in the case of a local sales and services tax where the tax has not been imposed countywide, the question of repeal or imposition or rate or use change shall be voted on only by the qualified electors of the areas of the county where the tax has been imposed or has not been imposed, as appropriate.

Approved April 13, 1992

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**CHAPTER 1064****HOUSING ASSISTANCE — ADMINISTRATIVE EXPENSES***S.F. 2344*

**AN ACT** relating to the allocation of moneys by the Iowa finance authority.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 220.15, Code 1991, is amended by adding the following new subsection:  
**NEW SUBSECTION.** 8. The authority shall ensure that moneys allocated to an eligible person administering a program to provide housing assistance under this section, shall include moneys necessary to pay for all expenses relating to providing the housing assistance, including administrative expenses. However, not more than twenty percent of the total moneys allocated to a person shall be used for purposes of paying administrative expenses.

Approved April 13, 1992